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TAGS: [PREL](#) [MARR](#) [KMG](#) [OTRA](#) [EAIR](#) [IN](#)

SUBJECT: AVIATION FEE IMPASSE FORCES EMBASSY TO CANCEL  
SUPPORT FLIGHT, SEEK INTERIM SOLUTION

REF: A. NEW DELHI 813  
[1](#)B. 2007 STATE 105799  
[1](#)C. NEW DELHI 473

[1](#)1. (U) This is an action request; please see paragraphs 6 and [1](#)7.

[1](#)2. (SBU) Post appreciates the Department's guidance to date (ref A and previous) on the issue of aviation-related fees for official U.S. Government aircraft and understands that an interagency process is currently underway to provide further guidance on a global policy. However, the issue has taken on increased urgency from an operational standpoint, resulting in the forced cancellation of an Embassy support flight June [1](#)4. Failure to find a interim solution that guarantees reliable access by U.S. Government aircraft threatens further disruption to Embassy operations and damage to important relationships leading into several high-level visits beginning the week of June 22.

Embassy Support Flight Cancellation

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[1](#)3. (SBU) The Embassy received an email June 9 from Delhi International Airport Limited (DIAL), the private entity running commercial operations at Indira Gandhi International airport (IGI), indicating that it would no longer extend credit for fees levied on U.S. Government state aircraft. The message indicated that absent the settlement of outstanding dues, the U.S. Air Force could only operate from IGI Airport "on (a) cash and carry basis with immediate effect." This put at risk an Embassy support flight due to arrive June 14. Following repeated inquiries to Ministry of External Affairs (MEA) Joint Secretary for the Americas Gaitri Kumar and her staff June 9-12, Kumar agreed on June 12 to ask DIAL to extend credit for the June 14 flight. Reinforcing this conclusion, one member of Kumar's staff assured POLOff June 12 that the flight would not be impeded, but said he could not provide a written guarantee. DIAL separately confirmed to ECONOff June 12 that it would continue to permit flights to land if instructed to do so by MEA, as had been the ad hoc arrangement for some time.

[1](#)4. (SBU) Nevertheless, on June 13 DIAL said it would extend credit for the June 14 flight, but asked the Defense Attache to provide a letter stating that the Embassy would accept responsibility for all landing fees for that particular

flight. The Defense Attache replied that he was not authorized to provide such a letter. Kumar then told the A/DCM the afternoon of June 13 that the only DIAL official authorized to reinstate credit for the flight was not available on a Saturday, adding that in any case MEA viewed the issue between the Embassy and DIAL as a private commercial matter and that MEA was not obliged to intervene. (Comment: It is not clear whether Kumar's characterization of the issue as a commercial matter was pursuant to a deliberate new MEA policy or was merely a deflection from her inability to fix the problem. End Comment.) Absent effective MEA intervention with DIAL or the authorization to pay any fees, the Embassy recommended the cancellation of the June 14 support flight on June 13 at approximately 6 pm.

15. (SBU) The Airports Authority of India and privately-operated Indian airports claim that the U.S. Government owes approximately \$171,378 in unpaid fees. Of this total, Embassy New Delhi DAO calculates that DIAL is owed only \$64,606 in legitimate fees, or an average of about \$1,219 per flight. The Embassy expects the arrival of a USG aircraft carrying high-level visitors the week of June 22, with further visits planned for July.

#### Action Request and Proposed Interim Solutions - - -

16. (SBU) ACTION REQUEST: Taking into consideration the uncertainty of the current ad hoc arrangements as illustrated by the June 14 flight cancellation and the volume of important U.S. Government business that depends on reliable

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access by USG state aircraft, the Embassy no longer feels that the status quo is sustainable. Post requests that the Department and Interagency revisit this issue with renewed urgency to explore reliable interim arrangements prior to high-level visits due later this month and next month. Post recommends the following way forward (parts originally proposed ref A) to ensure USG flights are not disrupted in the short term while a more comprehensive solution is sought:

1A. Post requests permission to pay -- before high-level visits expected the week of June 22 -- outstanding bills which in our view are payable under ref B's guidance for landing and commercial side parking fees for DIAL and other commercial entities in India as necessary to facilitate USG business (Mumbai International Airport Ltd, New Bangalore Airport, New Hyderabad Airport, and Cochin Airport). An MEA contact repeated June 12 his off-the-record suggestion that payment of the past dues to DIAL would be a signal of our intention to resolve the longer-term issue and prevent further action by the GOI or any other commercial provider throughout India.

1B. Post recommends a team of policy and legal experts from Washington request to meet with Indian authorities on billing of aviation fees at the earliest opportunity to address the differences under ref B policy. From the GOI perspective, concrete progress on a process to resolve the larger issue could help to sustain the viability of an interim solution.

1C. Post continues to oppose the new Indian policy (ref C) that only exempts USG flights from payment if "invited." However, Post increasingly views seeking invitations as less onerous than the unpredictable disruption of important USG business, and requests Department authorization to seek invitations for VIP visitors in limited circumstances. (Note: MEA has made clear that it now has a formal policy for the first time and intends to apply it scrupulously; MEA does not therefore regard previous visits that may or may not have received formal invitations prior to the establishment of its current policy as precedent-setting. Furthermore, the GOI rarely extends formal invitations except to Heads of State and, occasionally, to the Secretary of State. For instance, former Secretary Rice did not receive a formal

invitation -- for MEA's purposes -- for her two visits in the fall of 2008. End Note.)

1D. DIAL's "cash and carry" option suggests that it would accept payment for individual flights, leaving the outstanding fees to be addressed separately. This would seem to permit an approach proposed in interim guidance Post received March 19 that the Embassy could pay for the individual flight, mark the bill "paid under protest," and send it back to Washington (per instructions in the foreign clearance guide). Under this arrangement, Post would be responsible for payment of DIAL fees before takeoff. Post recognizes that this is a last resort, but requests guidance on whether this is a genuine option in exceptional cases.

17. (SBU) If none of these options is feasible, Post recommends that the Department consider canceling a high-level visit to illustrate that the GOI -- and the MEA in particular -- will pay a price for its failure to extend the courtesy of reliable access for visits of mutual benefit pending final resolution of our differences on this issue.  
END ACTION REQUEST.

BURLEIGH